(c) the details of steps taken or proposed to be taken for export promotion;

(d) whether Government is proposing any plan for taking active support of the States for export promotion efforts; and

(e) if so, the details of the scheme and its *modus operandi*?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) There was no decline in export growth during the last two years. According to latest revised data, exports increased by around 23% in dollar terms during 2005-06 and 2006-07. However, according to provisional data available for the current year, export growth when compared with previous years has decelerated to 18 per cent in dollar terms and 6 per cent in Rupee terms during the period April-July, 2007. The current deceleration in export growth is influenced by the sharp appreciation in the exchange rate which has effected certain export sectors which are less import intensive.

(c) Export promotion is an ongoing endeavour of the Government and initiatives are taken from time to time in accordance with the Foreign Trade Policy and its Annual Supplements. In addition, during the current year the Government has announced a relief package to help neutralise the adverse impact of Rupee appreciation on exporters. This package comprises enhanced Duty Entitlement Passbook (DEPB) rates, reduction in Export Credit Guarantee Corporation (ECGC) premium, release of Rs.600 crore for clearing all arrears of terminal excise duty and Central Sales tax reimbursement, enhancement of duty drawback rates and reduction in interest rates on pre and post shipment credit.

(d) and (e) The Government recognises the importance of active support of States for export promotion efforts. In view of this the Government has operationalised a scheme for assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE). The Scheme consists of State Component with 80% allocation of total outlay and Central Component with the rest 20% of the outlay. The infrastructure projects for promoting exports are approved by the State level Export Promotion Committee headed by the Chief Secretary of the respective States. The projects under Central Component are approved by an Empowered Committee in the Department of Commerce. For the Eleventh Five Year Plan, an outlay of Rs.4450 crore has been proposed. An outlay of Rs.600 crore has been approved for this scheme for the current financial year, *i.e.*, 2007-08.

Tea estates lying closed in West Bengal and Kerala

†2320. SHRI MANGANI LAL MANDAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that in only two States *i.e.* West Bengal and Kerala in the country approximately 33 tea estates are lying closed for the last six years due to which thousands of families which depended on these tea estates are facing serious crisis of earning their livelihood;

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†Original notice of the question was received in Hindi.

(b) whether it is also a fact that active and meaningful efforts have been made by Government for these tea estates but fruitful result has not been achieved so far; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) As per available information, as on 1.4.2007, 33 tea gardens were lying closed of which 17 were in Kerala, 14 in West Bengal and 2 in Assam. The total number of workers affected due to closure of these gardens was about 31,000.

(b) and (c) With the efforts of the Centre and State Governments eight gardens in Kerala and two in West Bengal have opened recently.

Import of vanaspati

2321. SHRI MAHENDRA MOHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government allowed Sri Lanka to export vanaspati at zero per cent duty when Sri Lanka is neither the producing country of crude oil nor having its own source of packaging materials;

(b) if so, how Indian industry will survive by paying 51.5 per cent duty when such duty free import is allowed;

(c) whether it is also a fact that Sri Lankan exporters were reluctant to supply vanaspati through NAFED as they did not meet quality standard; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Under India-Sri Lanka Free Trade Agreement (ISFTA), which became operational in the year 2000, Vanaspati was in the free list and could be imported from Sri Lanka at zero duty. Initially there was no restrictions on quantity to be exported by Sri Lanka.

(b) Government has taken several steps to help domestic industry like:

(i) the fixing of a Tariff Rate Quota (TRQ) of 2.5 lakh MT on import of Vanaspati, baker shortening and margarine from Sri Lanka to India since November, 2006 under ISFTA.

(ii) allowing import of oilseeds/edible oils except copra/coconut oil on OGL.

(iii) concessional rate of import duty on certain vegetable oils for manufacture of refined oil/Vanaspati.

(iv) reduction in import duty on crude palm oil and refined palm oil.

(v) increase in import duty on Vanaspati, bakery shortening, margarine from 30% to 80%.